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2 JEANNE C. WERNER, State Bar No. 93170
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7 Attorneys for Complainant

8
9 **BEFORE THE**
CALIFORNIA BOARD OF ACCOUNTANCY
DEPARTMENT OF CONSUMER AFFAIRS
10 **STATE OF CALIFORNIA**

11 In the Matter of the Accusation Against:

Case No. AC-2001-25

12 JERRY MARK WALKER
13 3203 NE 15th Avenue
14 Portland, OR 97212

**STIPULATED SETTLEMENT AND
DISCIPLINARY ORDER**

15 Certified Public Accountant License No. 28475,
16 Respondent.

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18 IT IS HEREBY STIPULATED AND AGREED by and between the parties to the
19 above-entitled proceedings that the following matters are true and that this Stipulated Settlement
20 and (proposed) Disciplinary Order will be submitted to the California Board of Accountancy for
21 its approval and adoption as the final disposition of Accusation No. AC-2001-25:

22 PARTIES

23 1. Carol Sigmann (Complainant) is the Executive Officer of the Board of
24 Accountancy. She brought this action solely in her official capacity and is represented in this
25 matter by Bill Lockyer, Attorney General of the State of California, by Jeanne C. Werner,
26 Deputy Attorney General.

27 2. Respondent Jerry Mark Walker ("Respondent") is representing himself in
28 this proceeding and has chosen not to exercise his right to be represented by counsel.

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1 Disciplinary Order below.

2 CONTINGENCY

3 10. This stipulation shall be subject to approval by the Board. Respondent
4 understands and agrees that the Board of Accountancy's staff and counsel for Complainant may
5 communicate directly with the Board regarding this stipulation and settlement, without notice to
6 or participation by Respondent. By signing the stipulation, Respondent understands and agrees
7 that he may not withdraw his agreement or seek to rescind the stipulation prior to the time the
8 Board considers and acts upon it. If the Board fails to adopt this stipulation as its Decision and
9 Order, the Stipulated Settlement and Disciplinary Order shall be of no force or effect, except for
10 this paragraph. It shall be inadmissible in any legal action between the parties, and the Board
11 shall not be disqualified from further action by having considered this matter.

12 11. The parties understand and agree that facsimile copies of this Stipulated
13 Settlement and Disciplinary Order, including facsimile signatures thereto, shall have the same
14 force and effect as the originals.

15 12. In consideration of Respondent's stipulation to license revocation, the
16 Board will not seek reimbursement of related and accrued investigation and prosecution costs in
17 this matter at this time. However, should respondent seek reinstatement of his certificate in the
18 future, he agrees to reimburse the Board \$3,500 for costs incurred in this action prior to the
19 Board's consideration of his petition for reinstatement.

20 13. In consideration of the foregoing admissions and stipulations, the parties
21 agree that the Board may, without further notice or formal proceeding, issue and enter the
22 following Disciplinary Order:

23 DISCIPLINARY ORDER

24 IT IS HEREBY ORDERED that Certified Public Accountant License No. 28475
25 issued to Respondent Jerry Mark Walker is revoked

26 ACCEPTANCE

27 I have carefully read the Stipulated Settlement and Disciplinary Order. I
28 understand the stipulation and the effect it will have on my Certified Public Accountant License.

1 I enter into this Stipulated Settlement and Disciplinary Order voluntarily, knowingly, and
2 intelligently, and agree to be bound by the Decision and Order of the Board of Accountancy.

3 DATED: _____.

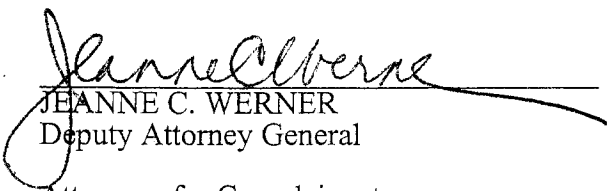
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5 JERRY MARK WALKER
6 Respondent

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9 ENDORSEMENT

10 The foregoing Stipulated Settlement and Disciplinary Order is hereby respectfully
11 submitted for consideration by the Board of Accountancy of the Department of Consumer
12 Affairs.

13
14 DATED: August 16, 2001.

15 BILL LOCKYER, Attorney General
16 of the State of California

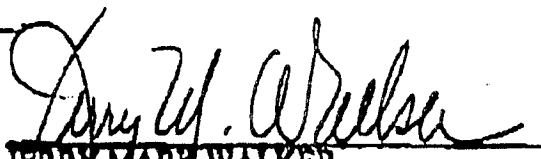
17 
18 JEANNE C. WERNER
19 Deputy Attorney General

20 Attorneys for Complainant

21 DOJ Docket Number: 03541110-SA2001AD0412
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1 I enter into this Stipulated Settlement and Disciplinary Order voluntarily, knowingly, and
2 intelligently, and agree to be bound by the Decision and Order of the Board of Accountancy.

3 DATED: August 29, 2001



JERRY MARK WALKER
Respondent

9 **ENDORSEMENT**

10 The foregoing Stipulated Settlement and Disciplinary Order is hereby respectfully
11 submitted for consideration by the Board of Accountancy of the Department of Consumer
12 Affairs.

14 DATED: August 16, 2001.

BILL LOCKYER, Attorney General
of the State of California


JEANNE C. WERNER
Deputy Attorney General
Attorneys for Complainant

21 DOJ Docket Number: 03341110-BA2001AD0412



**BEFORE THE
BOARD OF ACCOUNTANCY
DEPARTMENT OF CONSUMER AFFAIRS
STATE OF CALIFORNIA**

In the Matter of the Accusation Against:

Case No. AC-2001-25

JERRY MARK WALKER
3203 NE 15th Avenue
Portland, OR 97212

Certified Public Accountant License No. 28475

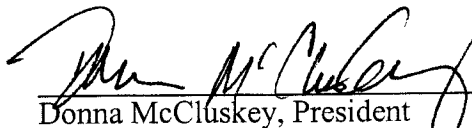
Respondent.

DECISION AND ORDER

The attached Stipulated Settlement and Disciplinary Order is hereby adopted by the Board of Accountancy of the Department of Consumer Affairs, as its Decision in this matter. IT IS HEREBY ORDERED that Certified Public Accountant License No. 28475 issued to Respondent Jerry Mark Walker is revoked.

This Decision shall become effective on October 4, 2001.

It is so ORDERED November 5, 2001.



Donna McCluskey, President
FOR THE BOARD OF ACCOUNTANCY
DEPARTMENT OF CONSUMER AFFAIRS

Exhibit A
Accusation No. AC-2001-25

1 BILL LOCKYER, Attorney General
of the State of California
2 JEANNE C. WERNER, State Bar No. 93170
Deputy Attorney General
3 California Department of Justice
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9 **BEFORE THE**
BOARD OF ACCOUNTANCY
10 **DEPARTMENT OF CONSUMER AFFAIRS**
STATE OF CALIFORNIA

11 In the Matter of the Accusation Against:

Case No. AC-2001-25

12 JERRY MARK WALKER
13 9342 N. Fanfol Drive
14 Paradise Valley, Arizona 85253
15 Certified Public Accountant
Certificate No. 28475

ACCUSATION

16 Respondent.
17

18 Complainant Carol Sigmann alleges:

19 PARTIES

20 1. Carol B. Sigmann ("Complainant") brings this Accusation solely in her
21 official capacity as the Executive Officer of the California Board of Accountancy (hereinafter
22 "Board"), Department of Consumer Affairs.

23 2. On or about September 28, 1979, the Board of Accountancy issued
24 Certified Public Accountant Certificate Number 28475 to Jerry Mark Walker ("Respondent").
25 The Certificate expired on January 31, 1997, and has not been renewed.

26 JURISDICTION

27 3. This Accusation is brought before the Board under the authority of the
28 following sections of the Business and Professions Code ("Code").

1 4. Code Section 118(b) provides in pertinent part that the suspension,
2 forfeiture by operation of law of a license issued by a Board shall not, during any period in which
3 it may be renewed, restored, reissued, or reinstated, deprive the Board of its authority to institute
4 or continue a disciplinary proceeding against the licensee upon any ground provided by law or to
5 enter an order suspending or revoking the license or otherwise taking disciplinary action against
6 the licensee on any such ground.

7 5. Code Section 5070.6 provides that an expired permit may be renewed at
8 any time within five years after its expiration upon compliance with certain requirements.

9 6. Code Section 5100 provides that the Board may discipline a certificate for
10 unprofessional conduct which includes, but is not limited to:

11 (f) The willful violation of a provision of the Accountancy Act;

12 (g) Suspension or revocation of the right to practice before any governmental
13 body or agency.

14 (i) Knowing preparation, or dissemination of false, fraudulent, or materially
15 misleading financial statements, reports, or information.

16 7. Code Section 5063 states in pertinent part:

17 (a) A licensee shall report to the board in writing of the occurrence of any of
18 the following events occurring on or after January 1, 1997, within 30 days
19 of the date the licensee has knowledge of the revocation or suspension of
20 (his) right to practice as a certified public accountant before any
21 governmental body or agency.

22 8. Code Section 5107 provides for recovery by the Board of all reasonable
23 costs of investigation and prosecution of the case, including, but not limited to, attorney's
24 fees in specified disciplinary actions, including alleged violations of Code section
25 5100(i). A certified copy of the actual costs, or a good faith estimate of costs signed by
26 the Executive Officer, constitute prima facie evidence of reasonable costs of investigation
27 and prosecution of the case.

28 ///

1 FIRST CAUSE FOR DISCIPLINE

2 9. Respondent is subject to disciplinary action under Code Section 5100(g) in
3 that his right to practice before a governmental body or agency has been suspended or revoked.
4 The circumstances are that, on or about October 18, 1999, in an administrative proceeding before
5 the United States Securities and Exchange Commission ("SEC"), entitled *In the Matter of Jerry*
6 *M. Walker, CPA*, No. 3-10078, respondent was denied the privilege of appearing or practicing
7 before the Securities and Exchange Commission as an accountant for a period of five years.

8 SECOND CAUSE FOR DISCIPLINE

9 10. Respondent is subject to disciplinary action under Code Section 5100(i)
10 for the knowing preparation of false, fraudulent, or materially misleading financial statements,
11 reports, and information and for unprofessional conduct under Section 5100 in connection with
12 his falsifying financial information and reporting the same to the SEC. The circumstances are as
13 follows:

- 14 A. Respondent Walker made false adjustments to the accounting records of
15 Unison HealthCare Corporation that materially inflated Unison's second
16 and third quarter 1996 net income. At the time, Walker was Unison's
17 president, chief executive officer, and a member of the board.
- 18 B. The falsely inflated earnings figures were included with Unison's
19 quarterly reports (10-Q) required to be filed with the SEC.
- 20 C. The false figures were also used in connection with a private securities
21 offering. Walker falsely represented that the second quarter 1996 financial
22 statements had been prepared in conformity with Generally Accepted
23 Accounting Principles.
- 24 D. On or about May 11, 1999, in a civil action in U.S. District Court, District
25 of Arizona, Phoenix Division, in Case No. CIV-99-1737-PHX- ROS, Jerry
26 M. Walker signed a consent to Entry of Judgment. Final Judgment of
27 Permanent Injunction and Other relief as to Defendant Jerry M. Walker
28 was filed with the Court on September 27, 1999, permanently restraining

1 Walker from violating Section 10(b) of the Exchange Act; Rule 10b-5;
2 Rule 13(b)(5); Rule 13b2-1; Rule 13b2-2; and Rule 13(a) promulgated
3 thereunder. Walker was assessed a civil penalty in the amount of \$15,000.

4 THIRD CAUSE FOR DISCIPLINE

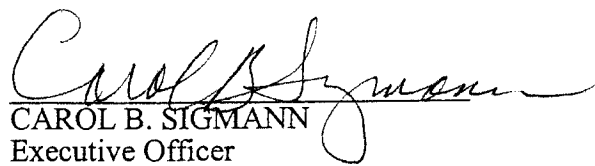
5 11. Respondent is subject to disciplinary action under Code Section 5100(f) in
6 conjunction with Code Section 5063(a)(3). Incorporating the matters set forth in paragraph 9
7 above, Respondent failed to report the denial of the privilege of appearing or practicing as an
8 accountant before the SEC to the Board as required.

9 PRAYER

10 WHEREFORE, Complainant requests that a hearing be held on the matters herein
11 alleged, and that following the hearing, the Board of Accountancy issue a decision:

- 12 1. Revoking or suspending or otherwise imposing discipline upon Certified
13 Public Accountant Certificate Number 28475 issued to Jerry Mark Walker;
14 2. Awarding the Board costs as provided by statute; and
15 3. Taking such other and further action as deemed necessary and proper.

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17 DATED: June 18, 2001

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20 
21 CAROL B. SIGMANN
22 Executive Officer
23 Board of Accountancy
24 Department of Consumer Affairs
25 State of California
26 Complainant

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28
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